

S7-19-03

**Virginia Hutchinson
5400 Simpson Avenue
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December 17, 2003

Secretary Jonathan G. Katz S7-19-03
U.S. Securities and Exchange Commission, 450 5th Street, NW
Washington, DC 20549

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Dear Secretary Katz:

Recent news stories on management and financial misbehavior in corporate America, such as the Enron and WorldCom fiascos, demonstrates that changes need to be made in the way companies handle their business. Proposed changes by the SEC for corporations' selections of candidates for Boards of Directors are only part of a wider movement. I am directing this letter to you as part of the public comment period for your proposal. Basically, I do not believe your changes are sound. While the goals may be well intentioned, many Boards have already enacted similar reforms.

My husband and I have invested largely in blue chip stocks for several decades. Our goal has been to provide an addition income for us throughout our retirement. Therefore, we are concerned about losing income, and your proposal seems to court such an event. Greater shareholder activity in corporate oversight and governance will not by itself ensure better results. If a board is unable to perform its duty, the interests of the company, and often the employees, will suffer.

Looking at the issue this way, democratization does not provide sound corporate governance. In fact, under your proposal, the reforms may pose serious obstacles to effective governance. These changes could also make the work of Boards more complicated, in part by interfering with the work of independent committees employed to select new Board candidates. Hampering their efforts will not do companies any good. However admirable the goal, this proposal is flawed and should be dropped.

Sincerely,

Virginia J Hutchinson

Virginia Hutchinson
